

Regular Session, 2009

HOUSE BILL NO. 896 (Substitute for House Bill No. 49 by Representative Richard)

BY REPRESENTATIVE RICHARD

VETOED
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Veto Message

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

1 AN ACT

2 To amend and reenact R.S. 42:1124.3(A) and to enact R.S. 42:1124.2(G)(4) and (J) and
3 1124.3(D)(3), relative to financial disclosure; to require certain disclosures by certain
4 public servants; to provide for the content of such disclosures; to provide for
5 effectiveness; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 42:1124.3(A) is hereby amended and reenacted and R.S.
8 42:1124.2(G)(4) and (J) and 1124.3(D)(3) are hereby enacted to read as follows:

9 §1124.2. Financial disclosure; certain elected officials; members of certain boards
10 and commissions; ethics administrator

11 * * *

12 G. For purposes of this Section, the following words shall have the following
13 meanings:

14 * * *

15 (4) "Tiered governing authority" shall mean the governing authority of a
16 political subdivision, which governing authority includes at least one person holding
17 a public office who represents a voting district having a population of five thousand
18 or more persons and at least one person holding a public office who represents a
19 voting district having a population of fewer than five thousand persons.

20 * * *

1 J. Notwithstanding Subsection A of this Section, a person holding a public
2 office who represents a voting district having a population of five thousand or more
3 persons and who serves on a tiered governing authority shall not annually file a
4 financial statement pursuant to this Section but shall instead annually file a financial
5 statement pursuant to R.S. 42:1124.3.

6 * * *

7 §1124.3. Financial disclosure; ~~certain~~ elected officials; representing voting districts
8 of under five thousand; members of certain boards and commissions

9 A. Each of the following, except a person who is required to file a financial
10 statement pursuant to R.S. 42:1124, 1124.2, or 1124.2.1, shall annually file a
11 financial statement as provided in this Section:

12 (1) Each person holding a public office who represents a voting district
13 having a population of fewer than five thousand, ~~except any person who is required~~
14 to file a financial statement by R.S. 42:1124, 1124.2, or 1124.2.1, shall annually file
15 a financial statement as provided in this Section ~~persons.~~

16 (2) Each person holding a public office who represents a voting district
17 having a population of five thousand or more persons and who serves on a tiered
18 governing authority.

19 * * *

20 D. For purposes of this Section, the following words shall have the following
21 meanings:

22 * * *

23 (3) "Tiered governing authority" shall have the same meaning as provided
24 in R.S. 42:1124.2.

1 Section 2.(A) This Act shall apply to reporting periods beginning in 2009 and
2 thereafter.

3 (B) This Act shall become effective January 1, 2010.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____

VETO MESSAGE

In the 2008 First Extraordinary Session, the legislature and my administration worked with a variety of stakeholders to pass comprehensive ethics reform. Personal financial disclosure for elected officials across all levels of government was a key component of this reform effort. The public began to see the practical impact of this legislation in May of this year, when hundreds of elected and appointed officials filed personal financial disclosure forms for the first time in Louisiana's history that are available online for oversight by all our citizens.

House Bill No. 896 amends these newly created laws to allow some elected members of governing authorities of political subdivisions to file a less extensive form of disclosure than what is currently required in law. Today, elected officials who represent voting districts with a population of 5,000 or more persons file what is known as "Tier 2" financial disclosure. House Bill No. 896 would instead allow some of these members to file "Tier 3" financial disclosure.

"Tier 3" was intentionally created to require a less extensive form of disclosure for those elected officials representing very small municipalities and districts. The following are examples of what is required for "Tier 2" disclosure that is not submitted under "Tier 3":

- Employer, job title, and a brief job description for the individual and spouse;
- Name, address, brief description of, and aggregate amount of income received from each business that provides income to the individual or spouse;
- Brief description, value, and location of each parcel of immovable property with a value exceeding \$2,000 in which the individual or spouse has an interest;
- Name and brief description of certain investment securities having a value exceeding \$5,000 held by the individual or spouse; and
- Name and address of certain creditors to whom the individual or spouse owes any liability exceeding \$10,000.

Although proponents noted the less extensive requirements in House Bill No. 896 would only affect a few dozen officials, my staff opposed this bill in both the House and Senate Governmental Affairs Committees. I believe we reached the right balance in the 2008 First Extraordinary Session, working with many stakeholders to enact and implement comprehensive personal financial disclosure. The "Tier 3" filings have not even begun yet, as the law requires the first forms to be submitted in May 2010. I prefer to give these laws a chance to work before considering making significant changes.

For these reasons, I have vetoed House Bill No. 896 and hereby return it to the House of Representatives.